United Nations A/61/546

General Assembly

Distr.: General
27 October 2006

Original: English

Sixty-first session
Agenda item 116
Review of the efficiency of the administrative and financial functioning of the United Nations

Accountability measures

Report of the Secretary-General

Summary

The present report responds to General Assembly resolution 59/272, in which the Assembly requested the Secretary-General to submit annually a report on measures implemented with the aim of strengthening accountability in the Secretariat.

The report provides a summary of measures undertaken since the report submitted to the General Assembly at its sixtieth session, entitled "Measures to strengthen accountability at the United Nations" (A/60/312), including specific reforms relating to accountability arising from decisions made by Member States at the 2005 World Summit, and other ongoing reform measures.

06-59083 (E) 011106

Contents

		Paragra
I.	Introduction	1
II.	Measures to strengthen the accountability framework	4–
III.	Ensuring ethical conduct	11–
IV.	Enhancing transparency	17–
V.	Conclusions and recommendations	20–

hs Page
3 3
0 4
6 6
9 7
21 8

I. Introduction

1. The present report has been submitted pursuant to paragraph 9 of General Assembly resolution 59/272, in which the Assembly requested the Secretary-General to submit annually to the Assembly a report under the agenda item entitled "Review of the efficiency of the administrative and financial functioning of the United Nations" addressing the measures aimed at strengthening accountability in the Secretariat.

2. Since the submission to the General Assembly of the report of the Secretary-General entitled "Measures to strengthen accountability at the United Nations" (A/60/312), there have been continuing efforts to strengthen accountability at the United Nations. In paragraph 161 (a) of resolution 60/1, the General Assembly recognized the ongoing reform measures carried out by the Secretary-General to strengthen accountability and oversight, improve management performance and transparency and reinforce ethical conduct, and invited him to report to it on the progress made in their implementation. In line with that resolution, the Secretary-General has submitted a series of reports that, inter alia, describe both proposed measures to strengthen accountability and the progress of measures already undertaken. In particular, in his report on accountability (A/60/846/Add.6), the Secretary-General addressed the need for a working definition of accountability; provided an overview of the chain of responsibility, authority and accountability; and addressed accountability for results, management of financial resources, management of human resources and management of procurement. The reports of the Secretary-General on investing in information and communication technology, budget implementation, financial management practices, improving reporting mechanisms including public access to United Nations documentation, procurement reform and updated terms of reference for the Independent Audit Advisory Committee (A/60/846/Add.1-5 and Add.7) also include proposals and describe progress already achieved on accountability measures in those areas. Further, the report of the Secretary-General transmitting the report of the independent Steering Committee on the Comprehensive Review of Governance and Oversight (A/60/883 and Add.1 and 2) points the way forward for strengthening the accountability framework of the Organization.

3. Given that the measures taken to strengthen accountability since the previous report (A/60/312) have been fully covered in the aforementioned reports and in other reports[1] submitted to the General Assembly, the present report provides a summary of key measures rather than duplicate the content of those reports. It is structured under three broad thematic headings: measures to strengthen the accountability framework; ensuring ethical conduct; and enhancing transparency.

[1] See reports on activities of OIOS for the period 1 July 2005 to 30 June 2006 (A/61/264); proposals for strengthening OIOS (A/60/901); strengthening the role of evaluation and application of evaluation findings on programme design, delivery and policy directives (A/61/83); activities of the Management Performance Board (A/61/319); United Nations system of administration of justice (A/61/205); activities of the Ethics Office (A/61/274); special measures for protection from sexual exploitation and sexual abuse (A/60/861); sexual exploitation and sexual abuse, including policy development, implementation and full justification of proposed capacity on personnel conduct issues (A/60/862).

II. Measures to strengthen the accountability framework

Governance

4. In response to General Assembly resolution 60/1, adopted at the 2005 World Summit, the Secretary-General has completed a comprehensive review of governance and oversight arrangements, including an independent external evaluation of the auditing and oversight system.

5. In volumes I to III of its report (A/60/883/Add.1), the independent Steering Committee provides recommendations concerning strengthening management effectiveness and accountability and suggests ways forward to achieve those ends. Institutionalizing results-based management within a clearly defined and comprehensive accountability framework for senior management, which includes the introduction of openness and transparency into the appointment process for senior management, and the strengthening of performance and evaluation processes, are key components.

Oversight

6. In volumes IV and V of its report (A/60/883/Add.2), the independent Steering Committee provides 7 main recommendations for the overall strengthening of oversight and 23 other recommendations aimed at the strengthening of the Office of Internal Oversight Services. The expeditious operationalizing of the Independent Audit Advisory Committee, established by the General Assembly in its resolution 60/248, is a critical element of the overall strengthening of oversight. To facilitate this, the Secretary-General has proposed revised terms of reference for consideration by the Assembly at its sixty-first session (A/60/846/Add.7). Further recommended measures include the establishment of an enterprise-wide risk management framework and the assignment of responsibility for reporting on the effectiveness of internal controls to executive management.

Office of Internal Oversight Services

7. The Office of Internal Oversight Services has continued its own efforts to strengthen internal oversight, in particular in the areas of risk assessment methodology; investment in information and communication technology; monitoring of recommendations; and improving professional practices. Measures taken in this regard are described in the annual report of the Office for the period 1 July 2005 to 30 June 2006 (A/61/264, part I). In its report on proposals for strengthening the Office (A/60/901), the Office of Internal Oversight Services provides proposals for reinforcing its mandated functions, namely, internal audit, inspections, monitoring, evaluations and investigations, and for ensuring its operational independence through an improved budgeting process. The Office is also taking the lead in strengthening programme evaluation, including such measures as establishing a programme and evaluation portal on iSeek, and training more than 300 staff members in results-based programme performance assessment. The report of the Office of Internal Oversight Services on strengthening the role of evaluation (A/61/83) and the application of evaluation findings on programme

design, delivery and policy directives further elaborates the measures taken and challenges faced in creating effective programme monitoring and evaluation.

Follow-up to recommendations of oversight bodies

8. In order to ensure that major issues identified by the Office of Internal Oversight Services are dealt with in a timely manner, monthly meetings have been instituted between the Deputy Secretary-General and the Under-Secretary-General for Internal Oversight Services. In addition, the Management Committee has taken on the responsibility of ensuring that findings and recommendations of the oversight bodies are effectively fed into the executive management process, ensuring that adequate remedial action is being undertaken and that recommendations are prioritized and addressed in a timely manner.

Management Performance Board

9. The Management Performance Board, which is responsible for monitoring and analysing the manner in which senior managers exercise all aspects of their authority to ensure that they are properly undertaking the responsibilities that have been entrusted to them, is now operational. In accordance with General Assembly resolution 60/238, the Assembly will have before it at its sixty-first session a comprehensive report on the activities of the Management Performance Board since its inception (A/61/319).

Administration of justice

10. In its resolution 59/283, the General Assembly decided that the Secretary-General should form a panel of external and independent experts to consider redesigning the system of the administration of justice (hereinafter referred to as the "Redesign Panel"). The Redesign Panel began its work on 1 February 2006. Its report (A/61/205) is before the Assembly for consideration at its sixty-first session. In its resolution 59/283, the Assembly also requested the Secretary-General to submit his comments on the recommendations contained in the report of the Redesign Panel, along with the estimate of time and resources needed for the implementation of the recommendations. These comments will be the subject of a separate report to be submitted to the Assembly at its resumed sixty-first session. The Secretary-General's comments will be subject to consultations with staff.

III. Ensuring ethical conduct

Ethics Office: financial disclosure; whistle-blower protection and training

11. Substantial progress has been made on various initiatives to ensure ethical conduct within the Secretariat. An Ethics Office was established in January 2006[2] to serve as a focal point in the communication and updating of standards of conduct in support of the Organization's goal to promote integrity, transparency and ethics in the workplace. Financial disclosure requirements have been expanded and a policy on whistle-blower protection, which represents best practices consistent with international and national law and core standards of human rights, has been introduced. New training programmes on ethics have also been launched. The Ethics Office conducted the first Secretariat-wide ethics briefing to all Under-Secretaries-General and Assistant Secretaries-General on 9 October 2006, covering a wide range of ethics issues related to management and including case studies. The report of the Secretary-General on activities of the Ethics Office (A/61/274) provides full details on the above initiatives.

Response to allegations of sexual exploitation and abuse

12. In 2005, OIOS highlighted that the problems of sexual exploitation and abuse by field personnel constituted a particular area of concern related to ethical behaviour. Measures taken to address the problems are fully described in the report of the Secretary-General (A/60/862) prepared pursuant to General Assembly resolution 59/296 on sexual exploitation and sexual abuse, and include policy development, implementation and full justification of proposed capacity on personnel conduct issues and a coordinated approach to implementing the zero-tolerance policy regarding sexual exploitation and abuse. The Department of Peacekeeping Operations has introduced a three-pronged strategy comprising measures aimed at prevention of misconduct, enforcing United Nations standards of conduct and undertaking remedial actions. The remedial actions have included effective investigation and follow-up. The report of the Secretary-General on special measures for protection from sexual exploitation and sexual abuse (A/60/861) provides data on allegations of sexual exploitation and related offences and describes progress made in the creation and implementation of measures designed to prevent sexual exploitation and abuse.

Enhancement of fraud and corruption prevention mechanisms

13. In its resolution 59/264, the General Assembly approved the recommendations and conclusions contained in the reports of the Board of Auditors on the financial reports of the United Nations, including the recommendation of the Board of Auditors that the United Nations Secretariat and the United Nations funds and programmes develop, document and implement a plan against the risk of internal

[2] In accordance with Article 101, para. 3, of the Charter of the United Nations; taking into consideration General Assembly resolutions 60/1, para. 161, and 60/248, sect. XIII; and under Secretary-General's Bulletin ST/SGB/2005/22.

corruption and fraud, including fraud-awareness initiatives (see A/59/162, para. 147). In subsequent resolutions, the General Assembly has further supported the recommendation (see resolutions 60/254, para. 13, and 60/266, sect. V, para. 3).

14. A working group was established in 2005 to draw up a comprehensive plan of action to strengthen the capacity of the Organization to prevent fraudulent and corrupt acts by staff and third parties. A short and medium-term plan of action to deal with these issues was developed in 2005 and further refined in 2006, including validation by an independent expert specializing in fraud prevention and anti-corruption measures. The Secretary-General will report to the General Assembly at its sixty-first session on the progress made in this area.

Suppliers code of conduct and guidelines for acceptance of pro bono goods and services

15. In response to General Assembly resolution 59/288, the Secretary-General has issued a supplier code of conduct (see A/60/846/Add.5, para. 15). The code includes an implementation guide, a remediation guide and self-assessment tools for suppliers in procurement.

16. In March 2006, the Secretary-General promulgated comprehensive guidelines for accepting pro bono goods and services (ST/SGB/2006/5). The guidelines aim at enhancing transparency and preventing unethical conduct in respect of the cooperation between the United Nations and the private sector and non-governmental organizations, and include terms relating to conflict of interest.

IV. Enhancing transparency

Access to United Nations information

17. In proposal 19 of his report on investing in the United Nations: for a stronger Organization worldwide (A/60/692 and Corr.1) and paragraphs 31 to 41 of his report on improving reporting mechanisms including public access to United Nations documentation (A/60/846/Add.4), the Secretary-General outlined a new policy that will provide the public with clearer rules for accessing Secretariat documentation. The objective of the new policy is to operationalize the Organization's goal of enhancing transparency and accountability, consistent with reasonable public expectation. Accordingly, the policy will modernize the current rules in place for accessing non-published United Nations information and increase availability through a variety of channels.

Improved reporting to the General Assembly

18. In the above-mentioned report on broadening access to United Nations documentation (A/60/846/Add.4), the Secretary-General also describes proposals aimed at improved reporting to the General Assembly so as to provide the necessary information for Member States to make well-informed decisions, hold the Secretary-General accountable for the performance of the Organization and enhance the transparency of the Organization. The major elements of the proposals are an annual

report of the Secretary-General to the General Assembly on the performance of the Organization and proposals to consolidate 45 reports into 6. In accordance with section V of resolution 60/283, in which the Assembly took note of the intention of the Secretary-General to prepare such a single comprehensive report, the *United Nations Secretariat First Consolidated Report 2005*[3] was published in September for consideration by Member States as a prototype to improve accessibility to and transparency of management information. Another significant step towards more transparent reporting has been the request by the Assembly in its resolution 59/272, for the Secretary-General to ensure that all reports of the Office of Internal Oversight Services be made available to Member States on request. To date, the Office has received requests for several hundred reports and has made those reports available.

International Public Sector Accounting Standards

19. A further step towards greater transparency has been the decision of the General Assembly to approve the adoption by the United Nations of the International Public Sector Accounting Standards (IPSAS) (resolution 60/283). The benefits to be derived from this are fully described in the report of the Secretary-General on financial management practices (A/60/846/Add.3). The adoption of IPSAS is contingent on the replacement of the current Integrated Management Information System (IMIS), Galaxy and other stand-alone information and communication technology management support systems with an enterprise resource planning system.[4] In that connection, the Assembly has endorsed the Secretary-General's proposal to replace IMIS with a next-generation enterprise resource planning system or other comparable system (see resolution 60/283, sect. II, para. 4).

V. Conclusions and recommendations

20. **Significant progress has been achieved in many areas and efforts are continuing to further strengthen accountability at the United Nations. The findings of the governance and oversight review provide the basis for determining the next major steps towards ensuring that the Organization has a comprehensive system of accountability in place, in particular measures aimed at strengthening oversight and the accountability framework for senior managers.**

21. **The General Assembly may wish to take note of the present report.**

[3] United Nations publication, Sales No. E.06.I.35.

[4] Enterprise resource planning systems integrate an organization's data and processes into a single unified system. The systems offer a depth of functionality in accounting, reporting, analysis, financial supply chain and treasury management, providing a robust financial and management reporting system that will ensure the highest level of business analysis and governance.